

LUCY L. THOMSON (admitted *pro hac vice*)
The Willard; Suite 400
1455 Pennsylvania Ave. NW
Washington, D.C. 20004
Telephone: (703) 212-8770

Hearing Date: November 30, 2023
Hearing Time: 10:00 a.m. (EST)

Objection Due: November 22, 2023
Objection Time: 4:00 p.m. (EST)

Consumer Privacy Ombudsman

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
<i>In re</i>	:	Chapter 11
	:	
CELSIUS NETWORK LLC, <i>et al.</i>	:	Case No. 22-10964 (MG)
	:	
Debtors.1	:	(Jointly Administered)
-----X	:	

**NOTICE OF MOTION FOR ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES
FOR THE CONSUMER PRIVACY OMBUDSMAN**

PLEASE TAKE NOTICE that, pursuant to Local Rule 2016, a hearing to consider the First Interim Fee Application of Lucy L. Thomson, Consumer Privacy Ombudsman, for Allowance of Compensation and Reimbursement of Expenses shall be conducted before the Honorable Martin Glenn, United States Bankruptcy Judge, on **November 30, 2023, at 10:00 AM** in the United States Bankruptcy Court – Southern District of New York, One Bowling Green, New York, NY 10004-1408 or as soon thereafter as the Motion can be heard.

PLEASE TAKE FURTHER NOTICE that any objection to the Motion must be in writing and state with particularity the grounds for the objection. The objection must be filed

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

electronically with the Clerk of the Bankruptcy Court at www.nyed.uscourts.gov, and a copy of the objection must be served on the undersigned and received no later than Wednesday, November 22, 2023.

Dated: Washington, D.C.
September 1, 2023

Respectfully submitted,

/s/ Lucy L. Thomson

Lucy L. Thomson
Consumer Privacy Ombudsman
The Willard; Suite 400
1455 Pennsylvania Ave. N.W.
Washington, D.C. 20004

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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<i>In re</i>	:	Chapter 11
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CELSIUS NETWORK LLC, <i>et al.</i>	:	Case No. 22-10964 (MG)
	:	
Debtors.1	:	(Jointly Administered)
-----X	:	

**SUMMARY OF FIRST INTERIM FEE APPLICATION OF
LUCY L. THOMSON, CONSUMER PRIVACY OMBUDSMAN,
PURSUANT TO BANKRUPTCY CODE SECTION 330
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Name of Applicant	Lucy L. Thomson
Authorized to Provide Professional Services to:	The Court
Date of Appointment	October 25, 2022
Period for Which Compensation And Reimbursement are Sought	October 25, 2022, through June 30, 2023
Compensation Incurred as Actual, Reasonable and Necessary for the Period October 25, 2022 through June 30, 2023	\$127,270.00

1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

Amount of Compensation Previously
Approved for Payment During
Application Period \$0.00

Amount of Compensation Previously
Paid to Applicant \$0.00

Reimbursement of Expenses Sought
as Actual, Reasonable and Necessary
During Application Period \$200.00

Amount of Expense Reimbursement
Previously Approved for Payment
During Application Period \$0.00

Amount of Expense Reimbursement
Previously Paid to Applicant \$0.00

Number of Hours of Work Performed
During Application Period 231.4 hours

This is an: X Interim Final Application

Fees by Project Category

Activity	Hours	Fees
Employment - Self	3.2 hours	\$ 1,760.00
Case Administration - Privacy	224.2 hours	\$123,310.00
Preparation of Fee Application - Self	4 hours	\$ 2,200.00

Fees by Professional

Name	Position	Hourly Rate	Total Hours	Total Compensation
Lucy L. Thomson	Consumer Privacy Ombudsman D.C. Bar admission: 1975	\$550	231.4	\$127,270.00

Expenses

Disbursements	Amount
Pro Hac Vice Application 11/8/23 ECF No. 1308	\$200.00
Total	\$200.00

LUCY L. THOMSON (admitted *pro hac vice*)
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Telephone: (703) 212-8770

Hearing Date: November 30, 2023
Hearing Time: 10:00 a.m. (EST)

Objection Due: November 22, 2023
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Consumer Privacy Ombudsman

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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<i>In re</i>	:	Chapter 11
	:	
CELSIUS NETWORK LLC, <i>et al.</i>	:	Case No. 22-10964 (MG)
	:	
Debtors.1	:	(Jointly Administered)
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**FIRST INTERIM FEE APPLICATION OF
LUCY L. THOMSON, CONSUMER PRIVACY OMBUDSMAN,
PURSUANT TO BANKRUPTCY CODE SECTION 330
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

TO THE HONORABLE MARTIN GLENN,
UNITED STATES BANKRUPTCY JUDGE:

Lucy L. Thomson (“Applicant”), Consumer Privacy Ombudsman, respectfully submits this first interim fee application (“Application”) for allowance and payment of compensation for professional services and reimbursement of actual and necessary expenses for the period of October 25, 2022 through June 30, 2023 (“Fee Period”), and in support of her Application represents as follows:

1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

JURISDICTION AND VENUE

1. This Court has jurisdiction over the case and this application pursuant to 28 U.S.C. §§ 157 and 1334. Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
2. This Application is submitted pursuant to sections 330 and 331 of the Bankruptcy Code (“Bankruptcy Code”) and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”).

BACKGROUND

3. On July 13, 2022 Celsius Network LLC and related businesses (“Debtors”) filed voluntary petitions under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their property as debtors-in-possession. The Debtors commenced these chapter 11 cases to provide Celsius an opportunity to stabilize its business and consummate a comprehensive restructuring transaction that maximizes value for stakeholders.
4. The Debtors obtained Bankruptcy Court approval to conduct a sale process for the sale of their “Retail Platform Assets” (as defined in the Bidding Procedures). The Court entered an Order on November 2, 2022 approving the bid procedures and auction process. (“Bidding Procedures Order”) [ECF No. 1272, filed 11/2/22].
5. Pursuant to the Court’s Order of October 24, 2022 directing the appointment of a Consumer Privacy Ombudsman [ECF No. 1167, filed 10/24/22], the United States (U.S.) Trustee appointed Lucy L. Thomson as the Consumer Privacy Ombudsman in this case. [ECF No. 1190, filed 10/25/22]. The Court entered an Order Approving the Appointment of Lucy L. Thomson as the Consumer Privacy Ombudsman on October 27, 2022 [ECF No. 1208, filed 12/27/22]. She conducted the conflicts check and prepared documents related to her appointment for the U.S. Trustee on October 24-25, 2022.

6. On March 1, 2023 the Debtors designated NovaWulf as the Stalking Horse Bidder. [ECF 2150, filed 3/1/23].

7. The Debtors conducted an auction for the sale of the retail platform assets that was concluded on May 15, 2023. Notice of Adjournment of Auction. [ECF No. 2692, filed 5/19/23]

8. At the conclusion of the auction, the Debtors, in consultation with the UCC, selected Fahrenheit, LLC as the Successful Bidder and BRIC as the Backup Bidder. Notice of Successful Bidder and Backup Bidder [ECF No. 2713, filed 5/25/23]

DESCRIPTION OF SERVICES RENDERED

9. During the Fee Period, the Ombudsman provided the following services that are described in detail on the itemized, chronological list attached hereto as **Exhibit A**.

a) In enacting sections 332 and 363, Congress has evidenced its intention to protect the privacy interests of consumers in connection with the bankruptcy sale of personal data. When the Court ordered the appointment of the Ombudsman, Judge Glenn stated the need to ensure that any sale “adequately protects the significant amount of potential customer data that could be included in the sale” of the retail platform assets.

b) The Bankruptcy Code provides a framework in sections 332 and 363 for evaluating the sale or transfer of personal consumer records in the context of a bankruptcy case. 11 U.S.C. §§ 101 *et. seq.* The statute provides a broad mandate for the Ombudsman – to investigate and provide the Court with information relating to:

- The Debtors’ Privacy Policy;
- Potential losses or gains of privacy to consumers if the sale is approved;
- Potential costs or benefits to consumers if the sale is approved; and

- Possible alternatives that would mitigate potential privacy losses or costs to consumers. 11 U.S.C. § 332.
- c) The Debtors, together with their non-Debtor affiliates (collectively “Celsius”), are one of the largest cryptocurrency-based finance platforms in the world and provide financial services to institutional, corporate, and retail clients across more than 100 countries.
- d) On January 27, 2023 the Ombudsman filed her Consumer Privacy Ombudsman (CPO) Report to the Court [ECF No. 1948]. The CPO Report provided the Court and the parties with a comprehensive analysis of the issues related to the sale or transfer of the personal and financial records of the 1.7 million Celsius account holders, including compliance with the privacy policy, the application of non-bankruptcy laws, and the losses or gains of privacy, and costs or benefits to consumers, if the sale or transfer of their data is approved, possible alternatives that would mitigate potential privacy losses or costs to consumers, and recommendation on steps that would be appropriate to protect the privacy of Celsius account holders.
- e) The Ombudsman provided an analysis of the laws and privacy principles relevant to the proposed sale or transfer of Celsius account holder data to a new entity (NewCo), and recommendations regarding practical steps the parties could take to protect consumer privacy. The CPO Report outlined the considerations the Court would need to take into account in making a decision to approve the sale or transfer of the retail platform assets to a Qualified Buyer.
- f) The CPO Report also recommended steps the parties should take to appropriately retain and dispose of the personal and financial data of the 1.2 million investors with

inactive accounts. This information will not be included in the sale or transfer of data to the new entity NewCo, and will be retained only to comply with federal legal requirements and the U.S. states and global privacy and data protection laws.

g) The Ombudsman participated in the February 15, 2023 omnibus hearing and presented a summary of her CPO Report to the Court and the parties. She outlined the privacy issues the Debtors and the successful bidder would need to address prior to the establishment of the NewCo and the potential transfer of the consumer/ investor records to Fahrenheit, the successful bidder.

REQUEST FOR COMPENSATION

10. By this Application, the Ombudsman respectfully requests the allowance, award, and payment of compensation in the amount of \$127,270.00 for the period of October 25, 2022 through June 30, 2023 (with a 20 percent holdback). An itemized, chronological list of services rendered by the Ombudsman, the time spent providing each item of service, and the fee for each service provided by the Applicant are set forth and attached to this Application as **Exhibit A**.

11. All of the time entries were made contemporaneously with the services rendered. Applicant is the only professional who is seeking compensation in this Fee Application. Applicant bills for services at an hourly rate of \$550. The Applicant also requests reimbursement of expenses of \$200.00 for the fee to submit *her pro hac vice* application.

Fees by Professional

Name	Position and Experience	Hourly Rate	Total Hours	Total Compensation
Lucy L. Thomson	Consumer Privacy Ombudsman (CPO) D.C. Bar admission: 1975 Certified Information Privacy Professional (CIPP/US), International Association of Privacy Professionals (IAPP)	\$550	231.4	\$127,270.00

	<p>Certified Information Systems Security Professional (CISSP) (ISC)2</p> <p>CPO experience – appointed CPO in 33 prior federal bankruptcy cases in 10 judicial districts (2008-present)</p> <p>Livingston PLLC, Founding Principal (2012-present)</p> <p>CSC, Senior Principal Engineer (2002-2012)</p> <p>U.S. Department of Justice, Senior Attorney, Criminal and Civil Rights Divisions (1977-2000)</p> <p>Georgetown University Law Center, J.D.; Rensselaer Polytechnic Institute, M.S. (RPI), 2001</p>			
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12. Pursuant to the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, dated January 30, 1996 (the “U.S. Trustee Guidelines”) and General Order M-447 of the United States Bankruptcy Court for the Southern District of New York, the Administrative Order Re: Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, dated January 29, 2013 (“General Order M-447”), Applicant has segregated her time entries into the following project categories which correspond to the major tasks undertaken by the Ombudsman during the fee period:

Fees by Project Category	Hours	Fees
Employment - Self	3.2 hours	\$ 1,760.00
Case Administration - Privacy	224.2 hours	\$123,310.00
Preparation of Fee Application - Self	4 hours	\$ 2,200.00
Total	231.4 hours	\$127,270.00

STATUTORY BASIS FOR RELIEF SOUGHT

13. This is an application for the award of compensation pursuant to 11 U.S.C. §§ 330 and 331 and the Bankruptcy Rules. This Court has jurisdiction to consider this Application pursuant to 28

U.S.C. § 1334. This Application constitutes a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (B) and (O).

14. Section 330(a)(1) of the Bankruptcy Code provides, *inter alia*, that a bankruptcy court may award “reasonable compensation for actual, necessary services rendered by the trustee, examiner, ombudsman, professional person, or attorney....” Section 331 of the Bankruptcy Code provides for interim and final allowance and payment of professional compensation and expense reimbursement.

FACTORS TO BE CONSIDERED IN AWARDING FEES

15. When determining reasonable compensation for professionals, courts utilize the standards found in section 330 of the Bankruptcy Code, and specifically subsection (a)(3), which was amended in 1994 to codify the “relevant factors” historically relied upon by courts found in *Johnson v. Georgia Highway Express*, 488 F.2d 714 (5th Cir. 1977) and *Am. Benefit Life Ins. Co. v. Baddock (In re First Colonial Corp.)*, 544 F.2d 1291, 1294 (5th Cir. 1977).

16. Courts in the Second Circuit have employed the “lodestar approach” for calculating judicial awards of compensation to attorneys and professionals. The “lodestar approach” involves multiplying the hours spent on a case, based on attorney time records, by a reasonable hourly rate of compensation for each attorney based on those normally charged for similar work by attorneys of comparable skill and experience, *Arbor Hill Concerned Citizens Neighborhood Ass'n v. City of Albany*, 522 F.3d 182, 186 (2d Cir. N.Y. 2007); *Savoie v. Merchants Bank*, 166 F.3d 456, 460 (2d Cir. 1999); *Detroit v. Grinnell Corp.*, 560 F.2d 1093, 1098 (2d Cir. N.Y. 1977). The resulting “lodestar” figure is presumed reasonable. *Arbor Hill*, 522 F.3d *supra* at 189; *Madison Realty Capital, L.P. v. Morris*, 2009 U.S. Dist. LEXIS 129175, at *22 (S.D.N.Y. June 25, 2009) (citing *Arbor Hill*).

17. Once calculated, the lodestar amount may be adjusted upward or downward to take into account the facts of the particular case. *See, Savoie v. Merchants Bank, supra* at 460. Factors reflecting the litigation risk, complexity of the issues, contingent nature of the engagement, skill of the attorney, and other factors may thereafter be employed to arrive at a reasonable and just compensation in excess of the lodestar figure. *Savoie v. Merchants Bank, supra* at 460; *In re Flag Telecom Holdings*, 2010 U.S. Dist. LEXIS 119702, at *69 (S.D.N.Y. Nov. 5, 2010).

18. An analysis of the factors to be considered by the Court in determining whether the requested fees are reasonable supports the Ombudsman's request for compensation.

a) The time and labor expended: The Ombudsman respectfully refers the Court to **Exhibit A** that details her involvement in this case since October 25, 2022. Drawing on her extensive experience as the Consumer Privacy Ombudsman in 33 prior federal bankruptcy cases, the Ombudsman addressed the significant privacy issues presented and completed her work during a short time period. The Ombudsman submits that the services were rendered to the Court efficiently, effectively, economically, without duplication, and in the best interests of all parties, and that all of the services performed represent actual and necessary services performed on privacy matters in this case.

b) The novelty and difficulty of the questions raised: The Debtors' cases are large and complex. They are essentially cases of first impression, as the reorganization of a cryptocurrency company is largely unprecedented. The sale or transfer of assets consisting of the personal and financial consumer records of 1.7 million Celsius account holders raised numerous issues under the Bankruptcy Code and applicable non-bankruptcy laws. The Ombudsman worked with counsel for the Debtors and members of the Celsius staff

while they pursued a dual-track process of marketing all of the assets for sale while simultaneously developing a path towards a standalone reorganization.

At the conclusion of the auction the Debtors selected Fahrenheit LLC as the successful bidder, an entity different from NovaWulf, the company previously selected as the Stalking Horse Bidder. Thus, the Ombudsman was required to conduct a privacy analysis and develop procedures for two entities that could have potentially obtained and used the consumer/ investor records.

c) The skill required to properly perform the services rendered: The Ombudsman believes that a practitioner not familiar with privacy issues in complex bankruptcy cases would have been required to spend considerably more hours than she did to perform the same tasks.

d) The attorney's opportunity costs: The CPO accepted this appointment in the public interest. She is not aware of other employment from which she was precluded as a result of handling this case.

e) The customary fee for like work: The Ombudsman has received fees for her work in bankruptcy cases of similar size and complexity at the same billable rate as that charged in this case.

f) The attorney's expectations at the outset of the litigation: This was not an ordinary case. It raised issues of first impression not generally found in other bankruptcy cases involving the sale or transfer of consumer PII and financial records. Because the case involved personal records collected and maintained by a cryptocurrency company, it raised numerous complex and novel issues under the Bankruptcy Code and applicable non-bankruptcy laws.

g) The time limitation imposed by the client or circumstances: The Ombudsman was required to complete her CPO Report to the Court within a short timeframe of three months. Subsequently on March 1, 2023 the Debtors designated NovaWulf as the Stalking Horse Bidder. [ECF 2150, filed 3/1/23]. The Debtors conducted an auction for the sale of the retail platform assets that was concluded on May 15, 2023. Notice of Adjournment of Auction [ECF No. 2692, filed 5/19/23] At the conclusion of the auction, the Debtors, in consultation with the UCC, selected Fahrenheit LLC as the Successful Bidder and BRIC as the Backup Bidder. Notice of Successful Bidder and Backup Bidder [ECF No. 2713, filed 5/25/23]

The selection of Fahrenheit LLC as the successful bidder required the Ombudsman to conduct a privacy analysis and develop procedures for two entities that could potentially have obtained and used the Celsius consumer/ investor personal and financial data. This work is ongoing.

h) The amount in controversy and the results obtained: The Ombudsman worked with the parties to protect the privacy of the 1.7 million Celsius consumers/ investors consistent with the Debtors' privacy policy and the requirements of the Bankruptcy Code and applicable non-bankruptcy laws. As a result, it is expected that the sale/ plan confirmation process will produce a good financial result for the estate and the privacy interests of the Celsius consumers/investors will be protected – the purpose of sections of 332 and 363 of the Bankruptcy Code.

i) The experience, reputation and ability of the attorney: The reputation of the Ombudsman is recognized and respected in the community. She is an experienced consumer privacy professional and has extensive expertise handling complex bankruptcy

cases of this kind. She has been appointed CPO in 33 prior federal bankruptcy cases in 10 judicial districts around the country (2008-present) and has overseen the disposition of more than 350 million electronic consumer personal records in some of the largest federal bankruptcy cases. She holds certifications as a Certified Information Privacy Professional (CIPP/US), International Association of Privacy Professionals (IAPP), and as a Certified Information Systems Security Professional (CISSP) (ISC)2.

j) The undesirability of the case within the legal community in which the suit arose:

The Ombudsman does not find it undesirable to serve as the CPO in this case or in any other bankruptcy proceeding, based on the understanding that reasonable compensation will be awarded for fees and expenses incurred.

k) The nature and length of the professional relationship between attorney and client:

The CPO is required to be a “disinterested person” to ensure that an objective and unbiased review and report regarding the protection of the privacy interests of the Celsius account holders during the bankruptcy proceeding are provided to the Court. She had no connection with the parties in this case prior being appointed as the CPO.

l) Attorneys' fees awards in similar cases: The Ombudsman has received fees for her work in similar cases involving the sale/transfer of large amounts of personal data at the same billable rate as that charged in this case. The fees are well within the range charged by professionals of similar skills and reputation in the areas of bankruptcy law, and data privacy and information security. In addition, 11 U.S.C. § 330(a) of the Bankruptcy Code specifically allows for the compensation of professionals, including a CPO, provided, following hearing, the statutory standards are met. Section 330(a)(1)(A) provides, in

pertinent part, that the Court may award to a CPO “reasonable compensation for actual, necessary services rendered.”

19. Based on the standards set forth in Bankruptcy Code section 330 and *First Colonial*, the Ombudsman believes that the amount requested herein represents the fair and reasonable value of services rendered during the Fee Period.

DECLARATION PURSUANT TO BANKRUPTCY RULE 2016

20. No payments have heretofore been made or promised to the Applicant for services rendered or to be rendered in any capacity whatsoever in connection with this case. No agreement or understanding exists between the Applicant and any other person or entity for the sharing of compensation received or to be received for services rendered in or connection with the case except as permitted under section 504(b) of the Bankruptcy Code.

21. Applicant has not entered into any agreement, express or implied, with any other party in interest, including any creditor, receiver, trustee, or any representative of any of them, or with any attorney for such party in interest in the proceedings, for the purpose of fixing fees or other compensation to be paid to such party-in-interest in the proceedings for services rendered or expenses incurred in connection therewith from the assets of the estate in excess of the compensation allowed by law.

CONCLUSION

22. This is the First Interim Fee Application of the Ombudsman filed pursuant to 11 U.S.C. §§ 330 and 331. No previous request for the relief sought herein has been made to this or any other Court. No retainer was requested or received.

23. The amount requested herein constitutes reasonable compensation for actual and necessary services rendered by Applicant based on the nature, extent, and value of such services, the time spent, and the cost of comparable services other than in a case under Title 11.

24. The Ombudsman respectfully submits that the services rendered were necessary to the administration of this case, were beneficial at the time the services were rendered, and were performed within a reasonable amount of time.

CERTIFICATION

In accordance with the Guidelines, I certify that, to the best of my knowledge, information and belief, the compensation sought conforms to the Guidelines. Furthermore, the compensation requested is billed at rates in accordance with practices no less favorable to the Debtors than those customarily employed by the Ombudsman in other bankruptcy cases.

WHEREFORE, Lucy L. Thomson, Consumer Privacy Ombudsman, respectfully requests that her First Interim Fee Application be granted and the Court enter an Order: (i) granting this First Interim Fee Application; (ii) allowing, awarding, and authorizing payment of compensation in the amount of \$127,270.00 (with a 20 percent holdback) for the period of October 25, 2022 through June 30, 2023 and reimbursement of expenses of \$200.00; and (iii) affording such other and further relief as may be fair and reasonable under the circumstances.

Dated: Washington, D.C.
September 1, 2023

Respectfully submitted,

/s/ Lucy L. Thomson

Lucy L. Thomson
Consumer Privacy Ombudsman

The Willard; Suite 400
1455 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
(703) 212-8770
lucythomson_cpo@mindspring.com

VERIFICATION

I, Lucy L. Thomson, Consumer Privacy Ombudsman, declare under penalty of perjury that the facts set forth in the foregoing First Interim Fee Application of Lucy L. Thomson, Consumer Privacy Ombudsman, for Allowance of Compensation and Reimbursement of Expenses for the Period of October 25, 2022 through June 30, 2023, are true and correct to the best of my knowledge, information, and belief.

Executed on: September 1, 2023

/s/ Lucy L. Thomson

Lucy L. Thomson

CERTIFICATE OF SERVICE

LUCY L. THOMSON (admitted *pro hac vice*)
The Willard; Suite 400
1455 Pennsylvania Ave. NW
Washington, D.C. 20004
Telephone: (703) 212-8770

Hearing Date: November 30, 2023
Hearing Time: 10:00 a.m. (EST)

Objection Due: November 22, 2023
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Consumer Privacy Ombudsman

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
<i>In re</i>	:	Chapter 11
	:	
CELSIUS NETWORK LLC, <i>et al.</i>	:	Case No. 22-10964 (MG)
	:	
	:	(Jointly Administered)
Debtors. ¹	:	
-----X		

**CERTIFICATION OF FIRST INTERIM FEE APPLICATION
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
OF CONSUMER PRIVACY OMBUDSMAN**

1. I, Lucy L. Thomson (“Applicant”), hereby submit this certification for compliance with General Order 613; Guidelines for Fee and Disbursements for Professionals in the Southern District of New York Bankruptcy Cases (the “Guidelines”).
2. The Application complies with the Guidelines, and the fees sought fall within the Guidelines.
3. The fees sought are billed at rates and in accordance with practices customarily employed by the Applicant and generally accepted by the Applicant’s clients.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

4. The following are the variances with the provisions of the Guidelines – NONE.
5. The United States Trustee, trustee, debtor, and other interested parties have been provided with a statement of fees that are the subject of this Application.

Dated: September 1, 2023

/s/ Lucy L. Thomson

_____.

Lucy L. Thomson
Consumer Privacy Ombudsman
The Willard, Suite 400
1455 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
(703) 212-8770
lucythomson_cpo@earthlink.net

EXHIBIT A

In re Celsius Network LLC, Case No. 22-10964 (MG) (S. D. N.Y.)

First Interim Fee Application

The professional services provided by Lucy L. Thomson, Consumer Privacy Ombudsman, are set forth on the itemized, chronological list below.

Date	Min-utes	Task	Rate/Time	Amount
		Project Category: Employment - Self		
10/24/20	48	Telephone calls and e-mails with Shara Cornell, Trial Attorney, re appointment as Consumer Privacy Ombudsman (CPO).	\$550 .80	\$440
10/24/20		Court Order to appoint Consumer Privacy Ombudsman (CPO) [ECF No. 1167, filed 10/24/22].		
10/25/20	90	Conducted conflicts check and submitted statement of disinterestedness.	\$550 1.5	\$825
10/25/20	54	Prepared and submitted Acceptance of Appointment and Verified Statement of CPO. United States Trustee, Notice of Appointment of Consumer Privacy Ombudsman, October 25, 2022 [ECF No. 1190, filed 10/25/22]	\$550 .90	\$495
10/25/20		Court entered Order Approving the Appointment of Lucy Thomson as Consumer Privacy Ombudsman, October 27, 2022 [ECF No. 1208, filed 12/27/22].		
		Project Category: Case Administration – Privacy		
10/28/22	132	Conducted initial review of Celsius website: Terms of Use, cryptocurrency products and programs.	\$550 2.2	\$1,210
10/28/22	108	Conducted initial review of Celsius privacy policy.	\$550 1.8	\$990
10/28/22	150	Initial review of Celsius docket.	\$550 2.5	\$1,375
10/29/22	54	Reviewed press reports on Celsius investors/ creditors experiences online.	\$550 0.9	\$495
10/29/22	72	Reviewed and analyzed U.S. Trustee's Objection to Debtors' Motion Seeking an Order (I) Authorizing the Debtors to Redact Certain PII from the Creditor Matrix, Schedules and Statements, and Related Documents. [ECF No. 607, filed 8/25/22]	\$550 1.2	\$660
10/29/22	48	Reviewed and analyzed Debtors' Omnibus Reply to the U.S. Trustee's Objections to Certain of the Debtors' Requests to Redact Certain Personally Identifiable Information of Individuals and United Kingdom and European Union Member Countries' Citizens [ECF No. 638, filed 8/30/22]	\$550 0.8	\$440
10/29/22	78	Reviewed and analyzed the Memorandum Opinion and Order on the Debtors' Sealing Motion [ECF No. 910, filed 9/28/22]	\$550 1.3	\$715

10/29/22	60	Further review and analysis of Celsius website: Terms of Use and cryptocurrency products and programs.	\$550 1.0	\$550
11/1/22	180	Initial review of federal financial laws and regulations regarding privacy.	\$550 3.0	\$1,650
11/1/22	150	Began drafting First CPO Report to the Court: Outline, Celsius bankruptcy, Bankruptcy Code provisions.	\$550 2.5	\$1,375
11/1/22	150	CPO Report drafting and revisions: Factual Background; Parties; CPO process.	\$550 2.5	\$1,375
11/8/22	60	Received approval to file; prepared and filed <i>pro hac vice</i> Admission Motion and Proposed Order on behalf of CPO [ECF No. 1301, filed 11/8/22]	\$550 1.0	\$550
11/8/22	180	CPO Report drafting and revisions: Request to Sell Celsius Retail Platform Assets; bidding process.	\$550 3.0	\$1,650
11/8/22	54	Reviewed and analyzed Executive Order EO) 14086 on Enhancing Safeguards for United States Signals Intelligence Activities directing the steps that the United States will take to implement the U.S. commitments under the European Union-U.S. Data Privacy Framework (EU-U.S. DPF) (Oct. 7, 2022).	\$550 0.9	\$495
11/9/22		Lucy Thomson <i>pro hac vice</i> Admission Order signed. [ECF No. 1308; filed 11/9/22]		
11/15/22	48	Celsius hearing on Zoom: Status report presented by Christopher Ferraro. Amended Agenda for Hearing on November 15, 2022 [ECF No. 1351, filed 11/14/22]	\$550 0.8	\$440
11/15/22	36	Followup from Zoom hearing: Summarized items from the report by Christopher Ferraro on status of Celsius business and activities.	\$550 0.6	\$330
11/16/22	78	CPO Report drafting and revisions: Reviewed and summarized EO 14067 on Ensuring Responsible Development of Digital Assets (2022) that addressed the risks and potential benefits of digital assets and identified six key priorities the U.S. should pursue.	\$550 1.3	\$715
11/16/22	96	Reviewed and analyzed <i>Treasury Report Crypto-Assets: Implications for Consumers, Investors, and Businesses</i> (Sept. 2022)	\$550 1.6	\$880
11/17/22	132	Drafted CPO privacy questions for Debtors and Celsius privacy and security managers.	\$550 2.2	\$1,210
11/18/22	12	Reviewed Notice of Omnibus Hearing Dates [ECF No. 1393, filed 11/17/22]	\$550 0.2	\$110
11/21/22	120	CPO Report drafting and revisions: Celsius Privacy Policy, Personal data about account holders collected and maintained by Celsius.	\$550 2.0	\$1,100
11/21/22	102	Reviewed and analyzed the Interim Report of Shoba Pillay, Examiner, that described the Debtors' cryptocurrency holdings [ECF No. 1411, filed 11/19/22].	\$550 1.7	\$935
11/22/22	42	Drafted and sent questions to the Committee on Unsecured Creditors (UCC) regarding privacy issues.	\$550 0.7	\$385
11/22/22	30	Celsius status conference on Zoom re investor accounts. Notice of Status Conference Regarding the Custody and Withhold Issues [ECF No. 1369, filed 11/16/22]	\$550 0.5	\$275

11/22/22	48	Preparation for and T/C with Gregory Pesce, White & Case, and Andrew Rudolph re privacy protections for account holders.	\$550 0.8	\$440
11/22/22	54	Preparation for and T/C with Debtors' counsel Dan Latona, Susan Golden, Jimmy Ryan, and Celsius CISO/IT director Shiran Kleiderman, privacy officer Charles Roberts, Graham Dodd, Dan Bendetson, Centerview, and others re personal and financial data about Celsius investors, plans for sale/ transfer of PII, current schedule for bids and auction, potential bidders, calls with regulators.	\$550 0.9	\$495
11/23/22	78	Drafted questions for FBI, FTC, Treasury officials and State AGs concerning privacy issues, deterring online harassment.	\$550 1.3	\$715
11/23/22	120	CPO Report drafting and revisions: Revised issue summaries based on documents reviewed.	\$550 2.0	\$1,100
11/23/22	48	Reviewed and analyzed Declaration of Oren Blonstein, Head of Innovation and Chief Compliance Officer of Celsius Network Limited with Respect to the Custody and Withhold Issues [ECF No. 1192; filed 10/25/22]	\$550 0.8	\$440
11/23/22	180	CPO Report drafting and revisions: Potential Gains of Privacy or Benefits to Consumers.	\$550 3.0	\$1,650
11/28/22	72	Reviewed and analyzed the Declaration of Alex Mashinsky, CEO of Celsius Network LLC, In Support of Chapter 11 Petitions and First Day Motions, ¶ 9 [ECF No. 23, filed 7/14/22] ["Mashinsky Declaration I"].	\$550 1.2	\$660
11/28/22	120	Conducted further review and analysis of laws and regulations pertaining to cryptocurrency companies, privacy and security requirements. Federal and state regulation of crypto. Proposed crypto legislation.	\$550 2.0	\$1,100
11/28/22	180	CPO Report drafting and revisions: "Qualified Buyer" Criteria and Practical Steps to Protect Privacy in Prior Cases; how to apply them in the Celsius case.	\$550 3.0	\$1,650
11/28/22	78	Reviewed and analyzed the Court's Order approving the bid procedures and auction process. ("Bidding Procedures Order") [ECF No. 1272, filed 11/2/22].	\$550 1.3	\$715
11/29/22	108	CPO Report drafting and revisions: Described how the sale of the Retail Platform Assets would encompass the personal and financial data of 1.7 million Celsius consumers/investors; discussed categories of data and status of investors.	\$550 1.8	\$990
11/29/22	42	Reviewed and analyzed <i>How SEC Regs Will Change Cryptocurrency Markets</i> , Investopedia (Nov. 17, 2022)	\$550 0.7	\$385
11/29/22	180	CPO Report drafting and revisions: initial summary/ overview of privacy laws and regulations; Current U.S. Legal Landscape for Crypto-assets	\$550 3.0	\$1,650
11/30/22	42	Preparation for and T/C with U.S. Treasury official re Treasury reports on crypto risks to consumers; GDPR requirements.	\$550 0.7	\$385
11/30/22	24	Reviewed letters from Senator Ron Wyden to company CEOs (Binance, Bitfinex, Coinbase, Gemini, Kraken and Kucoin) re privacy and security protections for investors in the event of a possible bankruptcy (Nov. 28, 2022)	\$550 0.4	\$220
11/30/22	168	Reviewed and analyzed Congressional Research Service (CRS) <i>Who Regulates Whom? An Overview of</i>	\$550 2.8	\$1,540

		<i>the U.S. Financial Regulatory Framework</i> (March 10, 2020)		
12/1/22	120	CPO Report drafting and revisions: U.S. Financial Regulatory Framework; Federal regulators and their authorities.	\$550 2.0	\$1,100
12/1/22	120	CPO Report drafting and revisions: Privacy laws covering financial institutions.	\$550 2.0	\$1,100
12/1/22	108	Drafted and sent privacy questions to Debtors' counsel, followup from 11/22 T/C with Debtors.	\$550 1.8	\$990
12/2/22	24	Reviewed Statement of the Official Committee of Unsecured Creditors Regarding Debtors' Motion for Entry of an Order (I) Extending the Debtors' Exclusive Periods to File a Chapter 11 Plan and (II) Granting Related Relief [EFC No. 1536, filed 12/1/22]	\$550 0.4	\$220
12/2/22	18	Reviewed Notice of Phishing Attempts ("Original Notice") [ECF No. 1527, filed 11/30/22]	\$550 0.3	\$165
12/2/22	108	CPO Report drafting and revisions: The Sale or Transfer Must Not Violate Applicable Non-Bankruptcy Laws. Overview of non-bankruptcy laws.	\$550 1.8	\$990
12/2/22	150	Reviewed and analyzed <i>Financial Stability Oversight Council, Report on Digital Asset Financial Stability Risks and Regulation</i> (Oct. 3, 2022)	\$550 2.5	\$1,375
12/5/22	96	Reviewed and analyzed <i>Crypto and Managing Data Privacy Risks</i> (Sep. 2022), Accenture research.	\$550 1.6	\$880
12/5/22	78	Reviewed and analyzed <i>Crypto: Emerging Compliance & Risk Trends</i> (Aug. 2022), Accenture privacy research.	\$550 1.3	\$715
12/5-6/22	120	Celsius hearings on Zoom. Discussion/ testimony re Celsius Terms of Use (incorporates the Privacy Policy). Agenda For Hearings on Debtors' Amended Earn/ Stablecoin Motion on December 5-6, 2022 [ECF No. 1547, filed 12/1/22]	\$550 2.0	\$1,100
12/5/22	48	Reviewed and analyzed information about Celsius Terms of Use in the Mashinsky Declaration II (eight versions w/privacy policy). [ECF No. 393, filed 8/8/22]	\$550 0.8	\$440
12/5/22	42	Reviewed and analyzed Notice of Filing of December 5, 2022 Hearing Presentation [ECF No. 1597, filed 12/5/22]	\$550 0.7	\$385
12/6/22	84	Researched crypto breaches; NYT reporting <i>Crypto World is on Edge After a String of Hacks</i> (Sep. 28, 2022); followed up on stealing bitcoin; faulty code.	\$550 1.4	\$770
12/6/22	168	Researched crypto breaches; NYT reporting <i>Crypto World is on Edge After a String of Hacks</i> (Sep. 28, 2022); followed up on ten hacks involving tech bridges.	\$550 2.8	\$1,540
12/6/22	72	Reviewed and analyzed Declaration of Shiran Kleiderman, CISO, re Debtors Security Protocols [ECF No. 812, filed 9/14/22]	\$550 1.2	\$660
12/6/22	36	Drafted and submitted questions for Celsius concerning the consumers/investors and plans for the sale/ transfer of their personal/ financial data to a purchaser or NewCo. For 12/7/22 call.	\$550 0.6	\$330
12/7/22	90	Preparation for and Zoom call with Susan Golden, Tommy Scheffer, K&E, Charles Roberts, Shiran Kleiderman, Lissa Workman, John Lambrose, Celsius, Dan Bendetson, Centerview, Bixler Holden, Alvarez, re Celsius data on individuals, location and data backups	\$550 1.5	\$825

		of data, AWS, security protocols, potential bidders and due diligence criteria.		
12/7/22	30	Prepared followup questions from 12/7/22 Zoom call.	\$550 0.5	\$275
12/7/22	90	Researched crypto cyber breaches: Wintermute, Curve.Finance, Nomad, Coincheck, Virgil Griffiths' sentencing.	\$550 1.5	\$825
12/7/22	48	Researched crypto cyber breaches: blockchain attacks.	\$550 0.8	\$440
12/7/22	42	Researched crypto cyber breaches. <i>Top 3 Security Risks of Blockchain-based Digital Assets</i> , Pentasecurity article (April 7, 2021)	\$550 1.7	\$385
12/7/22	42	CPO Report drafting and revisions: Drafted summary/ update of information from 12/7/22 call, including privacy policy, number of investors by type, company information, security protocols.	\$550 0.7	\$385
12/8/22	60	Celsius hearing on Zoom. Approve bidding procedures and protections. Notice of Adjournment of Hearing on Certain Motions (hearing rescheduled to 12/8/22) [ECF No. 1524, filed 11/30/22]	\$550 1.0	\$550
12/8/22	180	CPO Report drafting and revisions: Laws and regulations regarding financial products and services present a complex array of requirements.	\$550 3.0	\$1,650
12/8/22	48	Reviewed and summarized description of Celsius cases in Declaration of Robert Campagna, Managing Director of Alvarez & Marsal in Support of Chapter 11 Petitions and First Day Motions. [ECF No. 22, filed 7/14/22].	\$550 0.8	\$440
12/8/22	42	Reviewed and analyzed details of Celsius company operations in Mashinsky Declaration II [ECF No. 393, filed 8/8/22]	\$550 0.7	\$385
12/8/22	72	CPO Report drafting and revisions: Potential Losses of Privacy or Costs to Consumers, drafted summary.	\$550 1.2	\$660
12/9/22	120	CPO Report drafting and revisions: Privacy and Cybersecurity Risks are Heightened with Digital Assets – Cyber Incidents Involving Financial Institutions and Cryptocurrency.	\$550 2.0	\$1,100
12/9/22	36	Preparation for and T/C with US Trustee's office re status of CPO work.	\$550 0.6	\$330
12/12/22	108	CPO Report drafting and revisions: Potential Privacy Losses, summarized findings of <i>Treasury Report Crypto-Assets: Implications for Consumers, Investors, and Businesses</i> (Sept. 2022)	\$550 1.8	\$990
12/12/22	18	Reviewed article on DOJ investigation of Binance and issues DOJ is pursuing.	\$550 0.3	\$165
12/13/22	96	CPO Report drafting and revisions: Potential Losses of Privacy or Costs to Consumers: Personal and financial data collected by Celsius.	\$550 1.6	\$880
12/13/22	48	Reviewed and analyzed <i>FTC Privacy of Consumer Financial Information Rule Under the Gramm-Leach-Bliley Act</i> (Dec. 9, 2021)	\$550 0.8	\$440
12/14/22	180	CPO Report drafting and revisions: Continued drafting non-bankruptcy laws: laws and regulations regarding financial products and services present a complex array of requirements.	\$550 3.0	\$1,650

12/15/22	18	Reviewed SEC Press Release: <i>SEC Charges Sam Bankman-Fried with Defrauding Investors in Crypto Asset Trading Platform FTX</i> (Dec. 13, 2022)	\$550 0.3	\$165
12/15/22	18	Reviewed Supplemental Notice of Additional Phishing Attempts [ECF No. 1681, filed 12/13/22]	\$550 0.3	\$165
12/15/22	180	CPO Report drafting and revisions: Non-bankruptcy laws, How financial laws and requirements are applicable to crypto companies.	\$550 3.0	\$1,650
12/15/22	30	Preparation for and T/C with Gregory Pesce, White & Case LLP, Official Committee of Unsecured Creditors	\$550 0.5	\$275
12/15/22	48	Mitigating the Risks of Phishing and Internet Crimes – Recommended that Debtors create a new tab on the Stretto Celsius website to post the K&E phishing notices and advise account holders of where to file complaints about harassment, phishing, and other Internet crimes.	\$550 0.8	\$440
12/16/22	180	CPO Report Drafting and Revisions: Potential Privacy Losses, Treasury Report: Risks and exposures for consumers, investors, and businesses – Drafted summary: risks posed by crypto-assets are divided into three categories.	\$550 3.0	\$1,650
12/16/22	42	Reviewed and analyzed the <i>UK Digital Assets: Consultation Paper</i> , https://www.lawcom.gov.uk/project/digital-assets/ , recommended by Judge Glenn.	\$550 0.7	\$385
12/16/22	18	Reviewed Notice of Amended Dates and Deadlines with Respect to Bidding Procedures for the Potential Sale of Debtors' Assets [ECF No. 1713, filed 12/15/22]	\$550 0.3	\$165
12/17/22	54	CPO Report drafting and revisions: Possible Alternatives to Mitigate Potential Privacy Losses – Identified and summarized prior bankruptcy cases, criteria for sale, limitations on data to be sold.	\$550 0.9	\$495
12/17/22	156	CPO Report drafting and revisions: Patchwork of federal privacy laws.	\$550 2.6	\$1,430
12/19/22	78	CPO Report drafting and revisions: Heightened security Risks with Digital Assets – Crypto cyber breaches: North Korea hacks and U.S. indictment	\$550 1.3	\$715
12/19/22	42	CPO Report drafting and revisions: Heightened security Risks with Digital Assets, FBI Warnings – Reviewed and summarized FBI Alert I-082922 "Cyber Criminals Exploit Vulnerabilities in DeFi Platforms" (Aug. 29, 2022)	\$550 0.7	\$385
12/19/22	18	CPO Report drafting and revisions: Heightened security Risks with Digital Assets, FBI Warnings – Reviewed and summarized FBI warning on SIM Swapping case.	\$550 0.3	\$165
12/19/22	42	CPO Report drafting and revisions: Heightened security Risks with Digital Assets, FBI Warnings – Reviewed and summarized FBI warning I-110421-PSA on Crypto Scams (Nov. 4, 2021)	\$550 0.7	\$385
12/19/22	36	Drafted questions for upcoming call with Consumer Financial Protection Bureau (CFPB) official.	\$550 0.6	\$330
12/20/22	42	Celsius status hearing on Zoom. Status Update on Company Operations by Christopher Ferraro. Amended2 Agenda for Hearing on December 20, 2022, at 10:00 A.M. ET [ECF No. 1759, filed 12/19/22]	\$550 0.7	\$385

12/20/22	48	Reviewed and analyzed December 20, 2022 Hearing Presentation: Celsius Statement of Ongoing Business Activities [ECF No. 1758, filed 12/19/22] Presentation by Chris Koenig and Christopher Ferraro outlined proposals for a range of potential transactions and business structures to acquire the retail platform assets; plans for a standalone reorganization.	\$550 0.8	\$440
12/20/22	42	Preparation for and T/C with CFPB official re EO 14067, Dodd-Frank Act and oversight over crypto companies, policy guidance on unfair, deceptive abuses practices (UDAP), examples of security and privacy practices that interpreted these laws.	\$550 0.7	\$385
12/20/22	54	CPO Report drafting and revisions: Potential Privacy Gains – Summarized and analyzed options presented by Christopher Ferraro and the potential benefits to users whose accounts will be migrated to the new platform. Emphasized the need for privacy protections to be specified, in addition to any financial benefits.	\$550 0.9	\$495
12/20/22	30	Debtors provided CPO with access to Celsius Data Room; logged in. Began review and analysis of excel spreadsheets with data on Celsius investors.	\$550 0.5	\$275
12/20/22	24	Reviewed and analyzed account holder data in <i>Celsius User Base Stratification</i> as of 7/13/22.	\$550 0.4	\$220
12/21/22	96	Analyzed Celsius data concerning individual investors – “User base by country.” Numbers, locations (U.S. states and top 20 countries, 27 EU countries)	\$550 1.6	\$880
12/21/22	120	CPO Report drafting and revisions: Potential Privacy Losses – Analyzed and summarized data on account holders by State. Created Table on U.S. States and where Celsius account holders are located.	\$550 2.0	\$1,100
12/21/22	108	CPO Report drafting and revisions: Created Table of Celsius users by country (Celsius account holders/investors are from 210 countries)	\$550 1.8	\$990
12/21/22	78	Reviewed and analyzed the Interim Report of the Examiner [ECF No. 1411, filed 11/19/22]	\$550 1.3	\$715
12/23/22	120	CPO Report drafting and revisions: Updated CPO sections IV A & B on Privacy Gains and Losses.	\$550 2.0	\$1,100
12/23/22	120	CPO Report drafting and revisions: Created Table of Contents.	\$550 2.0	\$1,100
12/28/22	180	CPO Report drafting and revisions: Digital assets and regulation, bankruptcy courts balancing of interests, criteria for sale of personal data, factors for sale.	\$550 3.0	\$1,650
12/29/22	150	CPO Report drafting and revisions: Continued analysis of legal issues pertaining to cryptocurrency companies. Drafted initial privacy recommendations.	\$550 2.5	\$1,375
12/29/22	36	Reviewed <i>Blockchain Attacks: Is No One Safe in the World of Cryptocurrencies?</i> by Freeman Law.	\$550 0.6	\$330
12/29/22	30	Reviewed and analyzed documents received from CFPB: <i>CFPB Consumer Complaint Bulletin on Crypto-Assets</i> and Justice Department publications re criminal activity related to digital assets.	\$550 0.5	\$275
12/29/22	36	Reviewed and analyzed CFPB Finalization of Interim Final Rules Under Consumer Financial Protection Laws.	\$550 0.6	\$330

12/30/22	150	Reviewed <i>Digital Currency Transmission Laws State-by-State</i> and <i>United States Digital Currency Laws and Regulations</i> by Freeman law.	\$550 2.5	\$1,375
12/30/22	48	Reviewed <i>The State of Consumer Data Privacy Laws in the US (And Why It Matters)</i> NY Times/ Wirecutter (Sep 6, 2021)	\$550 0.8	\$440
1/2/23	30	CPO Report drafting and revisions: Non-bankruptcy laws -- Reviewed National Conference of State Legislatures (NCSL) <i>Cryptocurrency 2022 Legislation. Five state laws</i> . Analyzed Wyoming laws regulating blockchain businesses/ cryptocurrency.	\$550 0.5	\$275
1/2/23	66	Reviewed and analyzed <i>Congress Has Introduced 50 Digital Asset Bills Impacting Regulation, Blockchain, and CBDC Policy</i> , Forbes (May 2022).	\$550 1.1	\$605
1/3/23	90	Reviewed and analyzed reports published by the Treasury Department pursuant to Sections 4, 5 and 7 of EO 14067 on "Ensuring Responsible Development of Digital Assets." Reports address the future of money and payment systems, consumer and investor protection and illicit finance risks.	\$550 1.5	\$825
1/3/23	54	Reviewed and analyzed <i>Fact Sheet: White House Releases First-Ever Comprehensive Framework for Responsible Development of Digital Assets</i> (Sep. 16, 2022)	\$550 0.9	\$495
1/5/23	60	Preparation for and T/C with FTC attorneys re FTC privacy oversight, privacy guidance, EO 14067, Dodd-Frank Act, and policy guidance on unfair and deceptive practices (UDP).	\$550 1.0	\$550
1/5/23	30	Reviewed Opinion and Order Regarding Ownership of Earn Account Assets [ECF No. 1822, filed 1/4/23]	\$550 0.5	\$275
1/5/23	24	CPO Report drafting and revisions: Potential Privacy Losses – Analyzed and referenced the Celsius due diligence <i>Third-Party Due Diligence Screen Cyber Security, Intelligence</i> , provided by Shiran Kleiderman.	\$550 0.4	\$220
1/6/23	48	Reviewed and analyzed the January 3, 2023 <i>Joint Statement on Crypto-Asset Risks to Banking Organizations</i> published by the three leading federal banking agencies.	\$550 0.8	\$440
1/7/23	54	Reviewed and analyzed <i>International Strategy to Better Protect the Financial System Against Cyber Threats</i> , Carnegie Endowment for International Peace (2020)	\$550 0.9	\$495
1/7/23	108	CPO Report drafting and revisions: Potential Privacy Losses – U.S. Assessment of Opportunities and Risks with Digital Assets	\$550 1.8	\$990
1/7/23	60	CPO Report drafting and revisions: Non-bankruptcy laws – FTC UDP standards and application to cybersecurity and cryptocurrency.	\$550 1.0	\$550
1/8/23	54	CPO Report drafting and revisions: Potential privacy losses – Cyber schemes/ attacks include these related to crypto-currency:..	\$550 0.9	\$495
1/9/23	12	Reviewed Second Notice of Amended Dates and Deadlines With Respect to Bidding Procedures for the Sale of Debtors' Assets [ECF No. 1844, filed 1/9/23]	\$550 0.2	\$110
1/9/23	30	Celsius status conference on Zoom. Motion for an Order extending the bar dates for submitting proofs of claim.	\$550 0.5	\$275

		Agenda for Hearing on January 10, 2023 [ECF No. 1836, filed 1/6/23]		
1/11/23	150	CPO Report drafting and revisions: Created Table of Celsius Account Holders and Non-bankruptcy Laws that apply to this case.	\$550 2.5	\$1,375
1/12/23	120	CPO Report drafting and revisions: Created Table with a list of 40 countries where the largest number of Celsius account holders reside.	\$550 2.0	\$1,100
1/12/23	180	CPO Report drafting and revisions: Created Table of international privacy and data protection laws in each of those countries. (Celsius account holders reside in more than 210 countries.)	\$550 3.0	\$1,650
1/17/23	90	CPO Report drafting and revisions: Drafted Privacy Laws of the European Union and Country Laws	\$550 1.5	\$825
1/17/23	180	CPO Report drafting and revisions: Potential losses of privacy or costs to consumers if the sale/transfer is approved; privacy and security risks with digital assets.	\$550 3.0	\$1,650
1/17/23	108	Reviewed and analyzed <i>A Look at What ISPs Know About You: Examining the Privacy Practices of Six Major Internet Service Providers</i> , An FTC Staff Report (Oct. 21, 2021)	\$550 1.8	\$990
1/18/23	30	CPO Report drafting and revisions: Reviewed financial privacy laws and determined applicability to Celsius: Right to Financial Privacy Act	\$550 0.5	\$275
1/18/23	72	Reviewed and analyzed <i>Privacy Protection for Customer Financial Information</i> , Congressional Research Service (CRS) (July 14, 2014)	\$550 1.2	\$660
1/18/23	78	CPO Report drafting and revisions: Reviewed State Laws – Unfair, Deceptive and Abusive Practices (UDAP)	\$550 1.3	\$715
1/18/23	66	CPO Report drafting and revisions: Reviewed state privacy laws and determined applicability to Celsius: California Privacy Act	\$550 1.1	\$605
1/18/23	30	CPO Report drafting and revisions: Reviewed state privacy laws and determined applicability to Celsius – Vermont Regulation of Privacy of Consumer Financial and Health information	\$550 0.5	\$275
1/18/23	54	CPO Report drafting and revisions: Revised and updated Table of Contents	\$550 0.9	\$495
1/19/23	72	CPO Report drafting and revisions: Revised Possible Alternatives to Mitigate Potential Privacy Losses or Costs to Consumers	\$550 1.2	\$660
1/19/23	120	CPO Report drafting and revisions: Celsius Privacy Policy Tilts the Balance Toward the Company; broad definition of personal information by Celsius	\$550 2.0	\$1,100
1/20/23	48	CPO Report drafting and revisions: Prepared proposed order re privacy protections for investors with active and inactive accounts.	\$550 0.8	\$440
1/21/23	42	CPO Report drafting and revisions: Researched <i>Crypto-related crime</i> ; W Post article (Jan. 19, 2023); timeline of cyber incidents involving financial institutions.	\$550 0.7	\$385
1/22/23	48	CPO Report drafting and revisions: Non-bankruptcy laws; reviewed financial privacy laws and determined applicability to Celsius: Gramm-Leach-Bliley Act	\$550 0.8	\$440

1/22/23	30	CPO Report drafting and revisions: Non-bankruptcy laws; reviewed financial privacy laws and determined applicability to Celsius: Safeguards Rule	\$550 0.5	\$275
1/22/23	24	CPO Report drafting and revisions: Non-bankruptcy laws; reviewed financial privacy laws and determined applicability to Celsius: Red Flags Rule	\$550 0.4	\$220
1/22/23	36	CPO Report drafting and revisions: Non-bankruptcy laws; reviewed financial privacy laws and determined applicability to Celsius: Fair Credit Reporting Act	\$550 0.6	\$330
1/22/23	42	CPO Report drafting and revisions: Non-bankruptcy laws; reviewed financial privacy laws and determined applicability to Celsius: Dodd-Frank Act	\$550 0.7	\$385
1/22/23	60	CPO Report drafting and revisions: Recommendations for privacy protections.	\$550 1.0	\$550
1/22/23	66	CPO Report drafting and revisions: Mitigate Potential Privacy Losses – Apply “Qualified Buyer” Criteria: Developed in Prior Bankruptcy Cases	\$550 1.1	\$605
1/23/23	18	CPO Report circulated to Debtors for review and corrections. Sent to Tommy Scheffer, Dan Latona, Ryan Jimmy, Charles Roberts, Susan Golden, Shiran Kleiderman	\$550 0.3	\$165
1/24/23	60	CPO Report drafting and revisions: Updated Table of Contents; formatting and footnotes.	\$550 1.0	\$550
1/24/23	78	CPO Report drafting and revisions: Finalized CPO Report for review by parties.	\$550 1.3	\$715
1/24/23	54	Celsius Omnibus Hearing on Zoom. Debtors provided updates on the sale process, key features of NewCo and schedule. Amended Agenda for Hearing on January 24, 2023 [ECF 1925, filed 1/23/23]	\$550 0.9	\$495
1/24/23	60	Analyzed Debtors’ proposal for a viable plan framework consisting of a proposed “recovery corporation” presented at the January 24, 2023 hearing.	\$550 1.0	\$550
1/25/23	72	CPO Report drafting and revisions: Summarized Debtors’ plans for the NewCo. Incorporated key features of the proposed “recovery corporation.” Debtors’ Second Motion for Entry of an Order (I) Extending the Debtors’ Exclusive Periods to File a Chapter 11 Plan[ECF No. 1940, filed 1/25/23]	\$550 1.2	\$660
1/25/23	96	CPO Report drafting and revisions: Potential Privacy Gains – Analyzed the benefits to investors of a “recovery corporation” where the value of the Debtors’ assets would be distributed to account holders. Summarized the framework and key features from a privacy perspective.	\$550 1.6	\$880
1/25/23	72	Received request for corrections to CPO Report from Debtors; made the requested corrections.	\$550 1.2	\$660
1/25/23	42	Preparation for and T/C with Susan Golden, Lissa Workman, and Jimmy Ryan regarding request for corrections and revisions to CPO Report.	\$550 0.7	\$385
1/25/23	18	Reviewed Second Supplemental Notice of Additional Phishing Attempts [ECF No. 1904, filed 1/22/23]	\$550 0.3	\$165
1/26/23	24	Preparation for and T/C with Susan Golden, Jimmy Ryan, Charles Roberts, and Nuke Goldstein, Further discussion of requested changes to the CPO Report provided by Debtors.	\$550 0.4	\$220

1/26/23	36	Received more proposed changes to CPO Report from Debtors and incorporated corrections.	\$550 0.6	\$330
1/27/23	84	CPO Report drafting and revisions: Recommendations: Essential Privacy Issues to Address; Practical Steps	\$550 1.4	\$770
1/27/23		CPO Report filed at ECF No. 1948.		
1/27/23	18	Drafted and sent status report to U.S. Trustees' office.	\$550 0.3	\$165
2/1/23	24	Preparation for and T/C with U.S. Trustee's office re CPO Report to the Court filed 1/26/23.	\$550 0.4	\$220
2/2/23	60	Reviewed and analyzed the Final Report of Shoba Pillay, Examiner [ECF No. 1956, filed 1/31/23]	\$550 1.0	\$550
2/8/23	18	Reviewed Third Supplemental Notice of Additional Phishing Attempts [ECF 1992, filed 2/6/23]	\$550 0.3	\$165
2/9/23	12	Drafted request to Debtors for CPO to provide privacy status report at Omnibus Hearing on 2/15/23.	\$550 0.2	\$110
2/13/23	18	Reviewed Agenda for Hearing on February 15, 2023 [ECF No. 2048, filed 2/13/23]	\$550 0.3	\$165
2/15/23	78	Celsius Omnibus Hearing on Zoom. Preparation for and CPO presentation to the Court: Summary of First Report to the Court [ECF No. 1948, filed 1/27/23] Amended Agenda for Hearing on February 15, 2023 [ECF No. 2071, filed 2/15/23]	\$550 1.3	\$715
2/16/23	72	Reviewed and analyzed Debtors' Statement with Respect to the Status of Debtors' Chapter 11 Plan Process + Attached PPT Plan Highlights [ECF No. 2066, filed 2/16/23]	\$550 1.2	\$660
2/17/23	18	Reviewed Fourth Supplemental Notice of Additional Phishing Attempts [ECF 2082, filed 2/15/23]	\$550 0.3	\$165
3/1/23	54	Reviewed and analyzed Notice of (I) Selection of Stalking Horse Bidder and (II) Amended Dates and Deadlines With Respect to Bidding Procedures for the Sale of Debtors' Assets ("Notice of Stalking Horse Bidder"). [ECF No. 2150, filed 3/1/23]	\$550 0.9	\$495
3/7/23	12	Reviewed Amended Agenda for Hearing on March 8, 2023 [ECF No. 2198, filed 3/7/23]	\$550 0.3	\$110
3/7/23	24	Reviewed Notice of Filing of March 8, 2023 Hearing Presentation [ECF No. 2197, filed 3/7/23]	\$550 0.4	\$220
3/8/23	60	Celsius omnibus hearing on Zoom. Christopher Ferraro reported on NovaWulf designated as the SHB [ECF 2150 filed 3/1/23], April 17 bid deadline, and schedule. Amended Agenda for Hearing on March 8, 2023 [ECF No. 2198, filed 3/7/23]	\$550 1.0	\$550
3/10/23	48	Reviewed Memorandum Opinion Regarding Which Debtor Entities Have Liability for Customer Claims Under the Terms of Use [ECF No. 2205, filed 3/9/23]	\$550 0.8	\$440
3/10/23	24	Prepared and sent agenda for T/C with Debtors and Novawulf re privacy at NewCo.	\$550 0.4	\$220
3/12/23	42	Reviewed and analyzed Figure privacy policy; drafted and sent comments to Debtors. Requested call with Debtors, UCC, NovaWulf.	\$550 0.7	\$385
3/20/23	48	Prepared PPT summary for Celsius and SHB that outlines privacy issues for NewCo.	\$550 0.8	\$440
3/21/23	60	Celsius Omnibus Hearing on Zoom. Chris Koenig Provided Status Update on company operations.	\$550 1.0	\$550

		Agenda For Hearing on March 21, 2023 [ECF No. 2267, filed 3/17/23] Notice of Hearing on Debtors' Motion for Entry of an Order (I) Authorizing and Approving Certain Bid Protections for the Proposed Plan Sponsor and (II) Granting Related Relief [ECF No. 2151, filed 3/1/23]		
3/6/23	12	T/C with Susan Golden K&E re privacy issues and schedule.	\$550 0.2	\$110
4/3/23	66	Reviewed and analyzed the Joint Chapter 11 Plan of Reorganization of Celsius Network LLC and its Debtor Affiliates [ECF No. 2358, filed 3/31/23]	\$550 1.1	\$605
4/13/23	54	Preparation for and Zoom call re privacy of consumer data with Celsius, Nova Wulf and Figure: Dan Latona, Susan Golden, Jimmy Ryan, Ken Ziman, Jessica Choi, Mitchell Mengden, Michael Abbute, Chris Karlsson.	\$550 0.9	\$495
4/13/23	48	Followup to T/C with Celsius, Nova Wulf and Figure representatives. Outlined issues regarding disposition of personal and financial data of investors and inactive account holders.	\$550 0.8	\$440
4/18/23	30	Celsius Omnibus Hearing on Zoom. Christopher Ferraro provided a company status update ("ongoing activities update") and delivered a report on negotiations with three parties and the SHB. Amended Agenda for Hearing on April 18, 2023 [ECF No. 2492, filed 4/17/23]	\$550 0.5	\$275
4/18/23	24	Reviewed and analyzed Celsius <i>Ongoing Activities Update</i> , April 2023. Notice of Filing of April 18, 2023 Hearing Presentation [ECF No. 2490, filed 4/17/23]	\$550 0.4	\$220
5/17/23	48	Celsius omnibus hearing on Zoom. Christopher Ferraro provided a company status update ("ongoing activities update") and report on the progress of the auction and the expected increase in value that should result. Amended Agenda for Hearing on May 17, 2023 [ECF No. 2660, filed 5/16/23]	\$550 0.8	\$440
5/17/23	30	Reviewed and analyzed Celsius <i>Ongoing Activities Update</i> , May 2023. Notice of Filing of May 17, 2023 Hearing Presentation [ECF No. 2655, filed 5/16/23]	\$550 0.5	\$275
5/20/23	12	Reviewed Notice of Adjournment of Auction [ECF No. 2692, filed 5/19/23]	\$550 0.2	\$110
5/27/23	42	Debtors in consultation with the UCC selected Fahrenheit as the Successful Bidder and BRIC as the Backup Bidder. Reviewed and analyzed the Notice of Successful Bidder and Backup Bidder [ECF No. 2713, filed 5/25/23]	\$550 0.7	\$385
6/6/23	48	Reviewed and analyzed Celsius Network LLC, <i>et al.</i> Chapter 11 Plan Term Sheet [ECF No. 2713, filed 5/25/23]	\$550 0.8	\$440
6/8/23	54	Reviewed and analyzed the Plan Sponsor Agreement, sets forth terms of the restructuring transactions in the Successful Bid and the Plan Term Sheet. (52 pages) Notice of Debtors' Entry Into Plan Sponsor Agreement [ECF No. 2759, filed 6/7/23]	\$550 0.9	\$495
6/8/23	6	Reviewed Revised Notice of Hybrid Omnibus Hearing Scheduled for June 28, 2023 [ECF No. 2762, filed 6/7/23]	\$550 0.1	\$55
6/8/23	6	Reviewed Notice of Hybrid Omnibus Hearing Scheduled for July 18, 2023 [ECF No. 2764, filed 6/7/23]	\$550 0.1	\$55

6/8/23	42	Preparation for and Zoom call with Dan Latona, Susan Golden, Josh Raphael, K&E, and Charles Roberts, Celsius, re privacy issues to be addressed by successful bidder Fahrenheit and NewCo. and treatment of 1.2 M investors with inactive accounts in the "Wind Down Estate." Created schedule to develop privacy protocols and "end of life" plan for the personal data. Next call set for in mid-July.	\$550 0.7	\$385
6/27/23	18	Reviewed Fifth Supplemental Notice of Additional Phishing Attempts [ECF No. 2896, filed 6/26/23]	\$550 0.3	\$165
6/27/23	24	Reviewed and analyzed Celsius <i>Ongoing Activities Update</i> , June 2023. Notice of Filing of June 28, 2023 Hearing Presentation [ECF No. 2918, filed 6/27/23]	\$550 0.4	\$220
6/28/23	12	Reviewed Amended Agenda for Hearing on June 28, 2023 [ECF No. 2920, filed 6/27/23]	\$550 0.2	\$110
6/28/23	60	Celsius Omnibus Hearing on Zoom. Christopher Ferraro provided a company status update ("ongoing activities update") and delivered a report on progress in developing NewCo, Fahrenheit planned operations. Drafted summary of information from the Ferraro presentation.	\$550 1.0	\$550
6/30/23	18	Reviewed Order (I) Extending the Debtors' Exclusive Period to Solicit Acceptances of a Chapter 11 Plan and (II) Granting Related Relief [ECF No. 2935, filed 6/29/23]	\$550 0.3	\$165
Project Category: Fee Application Preparation - Self				
6/30/23	240	Preparation of First Interim Fee Application	\$550 4.0	\$2,200
Total		Professional Services 13,884 minutes = 231.4 hours x \$550 = \$127,270	231.4 hours	\$127,270.00
Expenses				
11/8/22		Pro Hac Vice Admission Fee [ECF No. 1301, filed 11/8/22]		\$200.00
Total		Expenses		\$200.00

LUCY L. THOMSON (admitted *pro hac vice*)
The Willard; Suite 400
1455 Pennsylvania Ave. NW
Washington, D.C. 20004
Telephone: (703) 212-8770

Hearing Date: November 30, 2023
Hearing Time: 10:00 a.m. (EST)

Objection Due: November 22, 2023
Objection Time: 4:00 p.m. (EST)

Consumer Privacy Ombudsman

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
<i>In re</i>	:	Chapter 11
	:	
CELSIUS NETWORK LLC, <i>et al.</i>	:	Case No. 22-10964 (MG)
	:	
Debtors. ¹	:	(Jointly Administered)
-----X	:	

**ORDER GRANTING APPLICATION FOR ALLOWANCE OF INTERIM
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Upon consideration of the Application by Lucy L. Thomson for Allowance of Interim Compensation and Reimbursement of Expenses (the “Application”) for professional services rendered and expenses incurred during the period commencing October 25, 2022 through June 30, 2023; and a hearing having been held before this court to consider the Application on November 30, 2023; and notice having been given pursuant to Federal Rules of Bankruptcy Procedure 2002(a)(6) and (c)(2); and due consideration having been given to any responses thereto; and sufficient cause having been shown therefor, it is hereby;

ORDERED that the Application is granted to the extent set forth in the attached

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

Schedules.¹

New York, New York

Dated: _____, 2023

THE HONORABLE MARTIN GLENN
CHIEF UNITED STATES BANKRUPTCY JUDGE

Case No.: 22-10964 (MG)
Case Name: Celsius Network LLC

CURRENT INTERIM FEE PERIOD
October 25, 2022 through June 30, 2023

Schedule A

(1) Applicant	(2) Date/Document Number of Application	(3) Interim Fees Requested on Application	(4) Fees Allowed	(5) Fees to be Paid for Current Fee Period	(6) Fees to be Paid for Prior Fee Period(s) (if any) (i.e., Holdback Release)	(7) Total Fees to be Paid	(8) Interim Expenses Requested	(9) Expenses to be Paid for Current Fee Period
Lucy L. Thomson, Consumer Privacy Ombudsman	9/1/23	\$127,270.00	\$127,270.00	[80 percent of \$127,270.00] \$101,816.00	0	\$101,816.00	\$200.00	\$200.00